

IMPORTANT NOTICE

MEDICAID ESTATE RECOVERY CLAIM

DATE

RE: _____

This is **NOTICE** that North Carolina General Statute 108A -70.5 authorizes the Division of Medical Assistance (DMA) to **file** a claim against the estate of the person named above. Attached to this notice is an invoice itemizing the amount of Medicaid payments subject to recovery. It is the responsibility of the executor/administrator/legally authorized representative of the estate to notify each individual who will be affected by this claim and explain the following provisions:

There are some circumstances when DMA will not pursue collection. Recovery will be waived when:

- ▶ The deceased is survived by a legal spouse, child under age 21, or child of any age who is blind or disabled (as determined by the Social Security Administration or Disability Determination Services) or
- ▶ The total assets in the estate are less than \$5,000, **OR** the total Medicaid payments subject to recovery is less than \$3,000, or
- ▶ Recovery will cause undue or substantial hardship to a surviving heir.

Please refer to the back of this notice for a definition of undue hardship and directions to make a claim of undue hardship.

If you have questions about anything in this notice, contact DMA, Eligibility Unit. If you have a specific question regarding the invoice or collection process, contact the Third Party Recovery Section (TPR) at DMA. Both can be reached toll free at 800/662-7030.

Caseworker Signature

Undue hardship is deemed to exist when:

► Real or personal property included in the estate is the sole source of income for a surviving heir, his or her spouse and related family members in his or her household and the gross income available to the surviving heir, his or her spouse and related family members in his or her household is below 200 percent of the federal poverty level, or

► Recovery would result in forced sale of the residence of a surviving heir who is living in and has continuously lived in the property since the decedent's death and who lived in the property for at least 12 months immediately prior to and on the date of the recipient's death and who would be unable to obtain an alternate residence because the gross income available to the surviving heir, his or her spouse and related family members in his or her household is below 200 percent of the federal poverty level and assets of the surviving heir, his or her spouse and related family members of his or her household are valued below twelve thousand dollars, \$12,000.

A claim of undue hardship must be made within **60** days of the date of the notice of the Medicaid claim. A claim of hardship must describe the financial circumstances of the surviving heir, his or her spouse and related family members in his or her household and the basis for his dependence on assets in the estate. Submit a hardship claim to:

The Division of Medical Assistance
Estate Recovery Administrator
2508 Mail Service Center
Raleigh, North Carolina 27699-2508

The estate recovery administrator shall evaluate each claim of hardship based on documentary evidence submitted by the claimant. Documentation includes a copy of the will if one exists, a copy of the surviving heir's birth certificate, a copy of the surviving heir's, his or her spouse's and related family members' in his or her household complete IRS tax forms with all schedules and all attachments for the two most current years, All W-2's and 1099's for any type of income, either taxable or non-taxable, Complete checking and savings account statements for the most current three months (all pages), If surviving heir is living in the property, proof that he or she is living in and has continuously lived in the estate property for the 12 months immediately prior to the recipient's death, For a surviving heir who is using the property as a sole income producing asset, an executed and dated lease agreement for the estate property that gives the property address, the names of the renters, the amount of the rent and term dates of the lease.

If documentation necessary to evaluate the claim is not provided or the surviving heir requests additional time to obtain the documentation, the estate recovery administrator may extend the review for an additional 30 calendar days. If necessary documentation is not provided within the time frames, the claim will be denied.

The estate recovery administrator will notify the surviving heir claiming hardship, the executor, and the clerk of court of his decision in writing.

If the surviving heir disagrees with the decision on his claim of hardship, he or she may appeal to the Office of Administrative Hearings (OAH) within 60 calendar days from receipt of the decision. If no appeal to OAH is filed, the decision is final.